

Workforce News



A quarterly publication of the Department of Workforce Services; issued Sept, 2008

Mountainland: Summit, Utah, Wasatch

jobs.utah.gov



Strong 2007 Wage Growth

The pace of economic expansion peaked in the Mountainland counties during the spring of 2007, cooling from rapid pace of a 7 percent year-over-year job growth rate in May, to end the year with 2.9 percent more jobs in December of 2007 than in December 2006. The labor market saw a 2007 average increase of 11,134 nonfarm payroll jobs, with growth of 5.5 percent over the 2006 job count.

The level of unemployment decreased from the annual average rate of 2.8 percent in 2006, to average 2.5 percent in 2007. The unemployment rate started 2007 at the extremely low rate of 2.4 percent and ended the year at 2.8 percent in Mountainland.

With jobs relatively plentiful and unemployment still very low in 2007, economists characterize the labor market as fully employed. (Unemployment will never be zero. There is always turnover of people moving in and out of the labor market and there is an imperfect match between the skills expanding industries need and the skills of the labor force.)



Inside:

- ✦ Summit: Job growth still robust
- ✦ Utah: Growth stagnant with construction leading job losses
- ✦ Wasatch: Last year's vigorous job growth now mostly halted



Contact the author, your regional economist, with any questions on content:

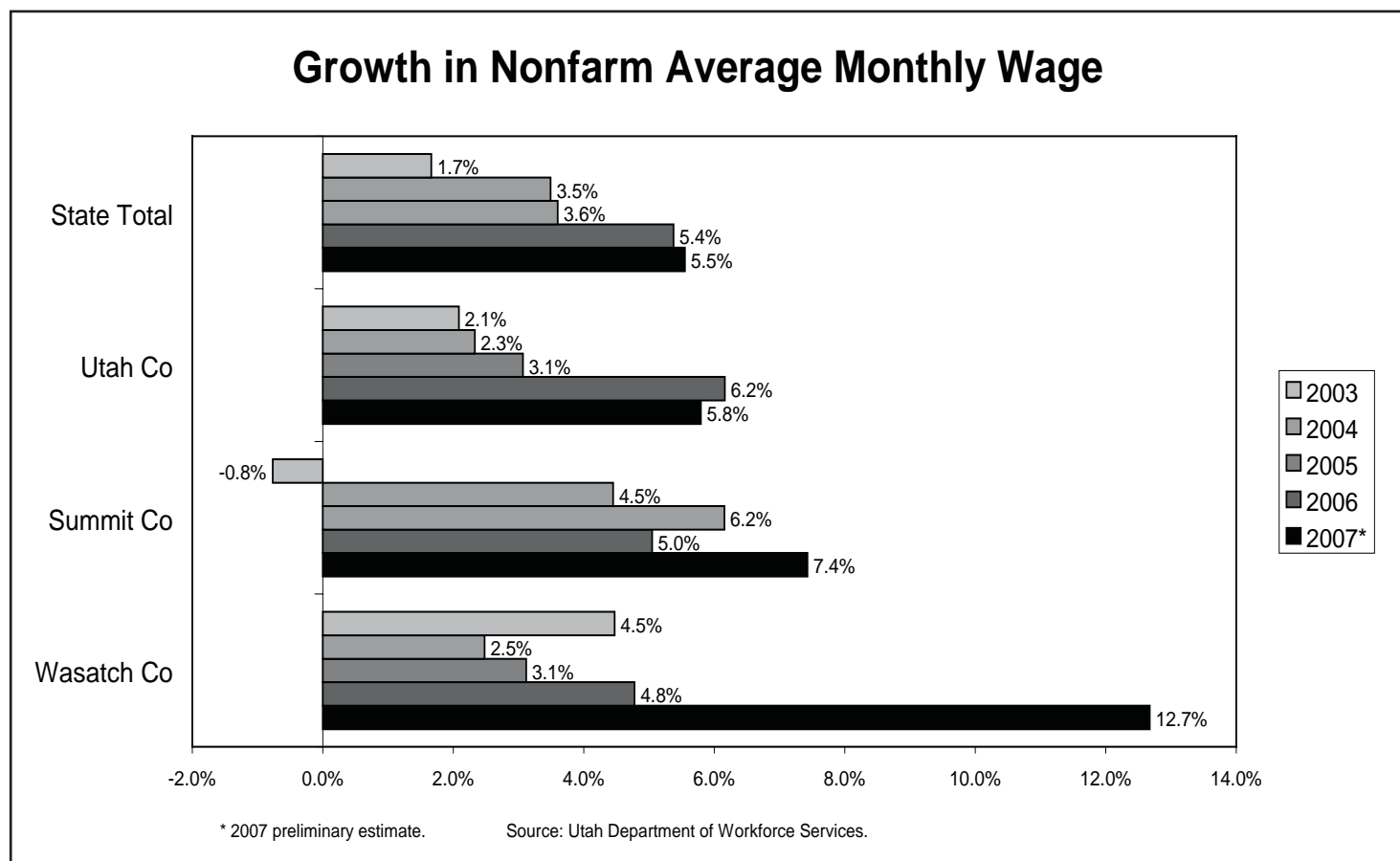
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See the wealth of information at our Employer Resource Center Web page: <http://jobs.utah.gov/employer/resource>

Strong 2007 Wage Growth

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In the midst of such a tight labor market, many businesses found it necessary to compete for the available workers in 2007. When the demand for labor exceeds supply, its price—wages—will increase.

As would be expected, the average monthly wage for all payroll jobs in Utah County has been increasing more rapidly in recent years as the economy has strengthened. Average monthly wages increased by a healthy 5.8 percent in 2007 compared to 6.2 percent in 2006. Consumer price inflation grew by 2.9 percent in 2007.

In Summit and Wasatch counties, wage growth was even higher in 2007, at 7.4 percent and 12.7 percent, respectively.

Conditions have changed quite dramatically since the end of 2007 with residential construction essentially collapsing and other industries slowing. Together, the Mountainland counties are experiencing actual year-over declines in jobs, with large losses in construction and quite slow growth in other industry sectors.

Check it Out

New wage data just released!

See it on jobs.utah.gov/wi
click on the blue UEDV icon then click on
Utah Occupational Wages

MotorFest

October 7 & 8, 2008

**SLCC Miller Campus
9750 South 300 West
Sandy, UT**

Student tours from 8 am – 2 pm each day.

MotorFest Steers Utah Students towards the Road to Success

It is no secret; there is a serious shortage of skilled automotive and diesel technicians in Utah. It is projected that there will be over 18,000 job openings between 2006 and 2016.

Technicians are in such short supply because American teenagers and their parents mistakenly believe that the automotive industry is only an option for people with less education, limited skills, and no ambition. They think that the automotive industry offers low wages with no opportunities for a “real” career or success. Nothing could be further from the truth.

Automotive is one of Utah’s fast-growing industries, offering competitive wages, state-of-the-art technical work environments, and challenging work that requires solid technical skills and in-depth post-secondary training.

MotorFest is a public/private partnership designed to provide more than 4,000 local high school and junior high school students with hands-on exposure to the diverse and exciting careers in the automotive/diesel industry.

Through interactive displays and professional demonstrations students will explore:

- Automotive, diesel, motorcycle, and small engine repair
- Collision repair
- Diesel and related occupations
- NATEF and ICAR certifications
- Internship and registered apprenticeships
- Career and training resources

Now is the time to get involved! This is your opportunity to



educate students, parents and educators about today’s advancing industry and help dispel old myths and stereotypes.

Be a Sponsor, Be an Exhibitor, Be a Volunteer.

Visit our web site www.uen.org/motorfest.

For additional information, contact Debby Nordfelt, dnordfelt@utah.gov, 801 526-9275.



Workforce Development = Economic Development

Partnerships in Action

In recent years, the Department of Workforce Services has successfully partnered with industry and education in workforce development activities and building talent pipeline initiatives. These partnerships have resulted in millions of federal dollars being brought into Utah to train current and future workers in some of Utah's fast growing industries such as advanced composites, mechatronics, biotechnology, biomanufacturing, healthcare, and energy.

New and expanding education and training programs resulting from recent partnerships include:

Composites Materials Technology

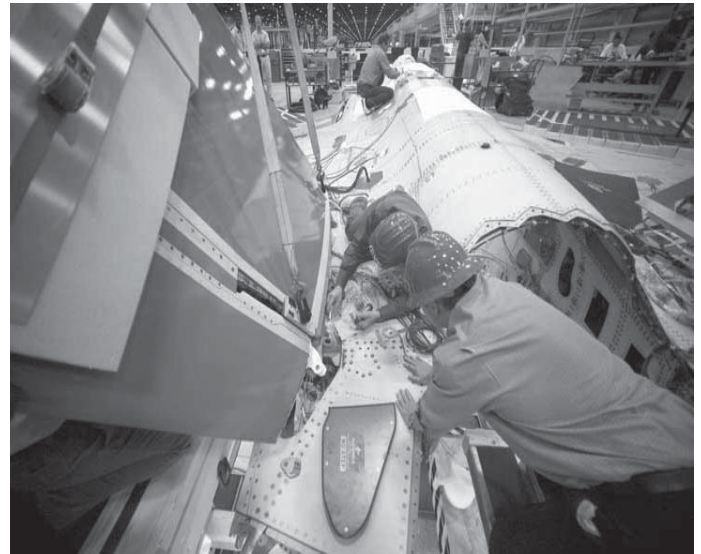
Davis Applied Technology College
Partners: ATK Space Systems, Hexcel, EDO Fiber Science, Radius Engineering, Technology Marketing, TCB Composites Company, Governor's Office of Economic Development (GOED), Davis School District, Salt Lake Community College (SLCC), Southern Utah University, Weber State University, Hill Air Force Base and LDS Employment Resource Services

Mechatronics

Utah Valley University
Partners: IM Flash Technologies, Setpoint Systems Inc, Utah Manufacturing Assn., Utah County Academy of Sciences and the Provo, Alpine, Wasatch, Park City, North Summit, Nebo and South Summit School Districts

Biotechnology/Life Sciences

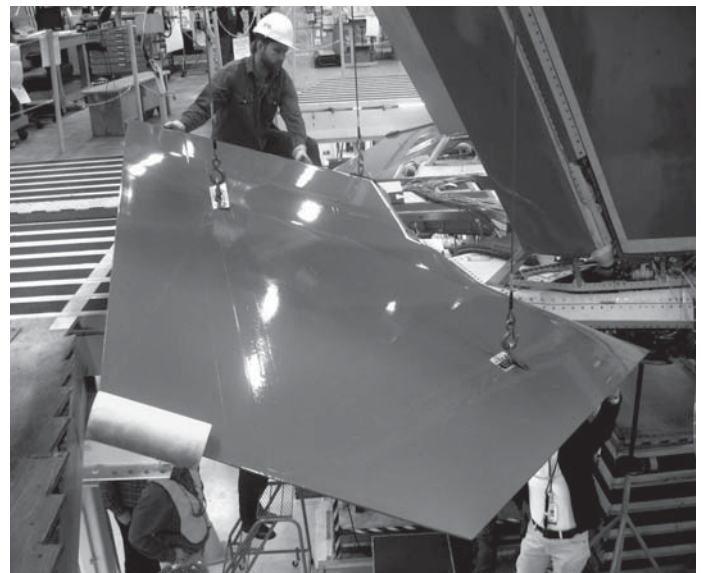
Governor's Office of Economic Development
Partners: ZARS, Merit Medical, Cephalon, ARUP, Pharmanex, Utah Clusters Team, Utah Science, Technology, Research Initiative, Utah Centers of Excellence, U of U, Utah State University, Utah Valley University, SLCC, Utah Technology Commission, Utah Technology Advisory Council, Utah Life Science Assn, Utah Women in Technology, Intermountain Biomedical Assn, Utah Medical Manufacturing Assn, Utah Natural Products Assn, InnovaBio, National Foundation, US Army Dugway Proving Grounds, Idaho Technology, the Leonardo and the Governor's Office of Economic Development



Biomanufacturing

Salt Lake Community College
Granite Technical Institute
Partners: ZARS, Cephalon Utah Natural Product Alliance, Utah Technology Commission and Utah Biomedical Assn.

A trained workforce is the key to continued economic growth in Utah. Many opportunities exist for business to partner with education to provide and upgrade the skills of Utah's workforce that will take us into the 21st Century. For additional information or to become a partner, contact: Lynn Purdin, 801 526-9755, lpurdin@utah.gov, or Melisa Stark, 801 776-7240, mstark@utah.gov.



County News

Summit County:

Summit County's year-over job growth in 2007 was a robust 6.1 percent, with the creation of more than 1,265 new jobs. The labor market has continued to expand in 2008, with about 1,200 more jobs compared to year-ago levels, and a growth rate of about 5.8 percent. Three industrial sectors are providing most of the new jobs—leisure and hospitality, trade, and local government.

Utah County:

During the summer of 2008, overall economic conditions in Utah County have stagnated, with job losses compared to year-ago levels. At the end of last year, job growth over the previous 12 months had slowed from a high in May of 6.9 percent to 2.5 percent in December. Slowing continued with estimated year-over job losses of 0.6 percent in June 2008, with about 1,200 fewer jobs compared to growth of almost 12,000 additional jobs at the peak in May 2007.

Most of the job losses are occurring in residential construction and related industries. The end of the residential construction boom, tight credit, and high energy and food prices are all contributing to this economic decline. Two industries, however, are generating many new jobs compared to year-ago levels—healthcare and local government public education.

The unemployment rate has increased as a result of the slowing economy. During the summer of 2007, there were about 5,700 Utah County residents unemployed or 2.5 percent of the labor force; this has increased to 6,898 or 3.1 percent for June 2008.

Wasatch County:

Of the Mountainland counties, Wasatch County job growth was the fastest in 2007, at 9.7 percent, with 629 more jobs. Job growth halted in the first quarter of 2008 with significant losses in construction and related industries compared to year-ago levels. Three industries are still providing job growth in 2008—leisure and hospitality, professional and business services, and local government.

What's Up?

✦ A glut of unsold new homes along the Wasatch Front is starting to shrink as more homebuyers come out of the woodwork, according to Newreach, a real estate research firm. The number of unsold new homes and condominiums in Utah County fell to 951 unsold units in the second quarter from a year ago, and is down slightly from 987 units at the end of 2007. Based on the drop in the number of unsold new homes and the number of new homes under construction, it will take 10.7 months to get rid of the county's new home inventory.

-Daily Herald

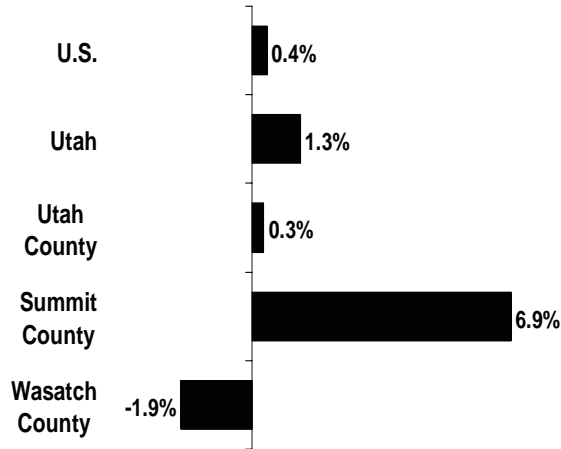
✦ There is more elbow room on Utah's and America's freeways as commuters turn to mass transit and other cures for \$4-a-gallon gasoline. Traffic on the nation's roads fell 3.7 percent in May from the same month a year ago, the third-largest monthly drop in 66 years of record keeping. An even bigger share of Utahns parked their cars, the Federal Highway Administration reported. Utahns drove a collective 2.13 billion miles in May, down 4.4 percent, or 97 million miles, from May 2007.

-The Salt Lake Tribune

Mountainland: Summit, Utah, Wasatch

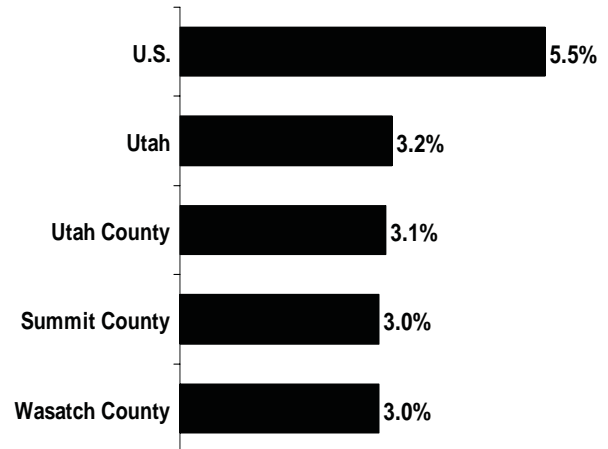
jobs.utah.gov

Year-over Change in Nonfarm Jobs
March 2007 to March 2008



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

Seasonally Adjusted Unemployment Rate
June 2008



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

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